

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:5091
ANSWERED ON:29.04.2008
TRANSPORT SUBSIDY SCHEME
Subba Shri Moni Kumar

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the Government has implemented any transport subsidy scheme to promote industrialisation in the North-Eastern region;
- (b) if so, the details of the schemes;
- (c) the total funds allocated for the scheme during 2007-08 and in the current financial year; and
- (d) the subsidy released during the above period?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR)

(a) & (b): Yes, Sir. The Government had introduced the Transport Subsidy Scheme on 23.7.1971 for promoting industrialization in the remote, hilly and inaccessible areas of the country. The Scheme is applicable to fourteen States/UTs, including eight States of the North Eastern Region (including Sikkim). The Scheme is applicable to all industrial units engaged in manufacturing activity (barring plantations, refineries and power generation sets) and is admissible for a maximum period of five years. Under the Scheme, subsidy is provided ranging between 50% to 90% of the transport cost on raw material and finished goods to and from the location of the industrial unit and the designated rail-head.

(c): Rs.610 crore were allocated under the Scheme during 2007-08. In the current financial year, an amount of Rs. 1 crore only has been provided under the Scheme, pending evaluation of the Scheme by the Planning Commission.

(d): An amount of Rs.619.29 crore has been released under the Scheme in the financial year 2007-08. Out of this, an amount of Rs.595.63 crore was released for the North Eastern Region. No release has been made so far in the current financial year under the Scheme.